



MONROE COUNTY, MISSOURI

TWO YEARS ENDED DECEMBER 31, 1999

**From The Office Of State Auditor  
Claire McCaskill**

Report No. 2000-54  
July 5, 2000  
[www.auditor.state.mo.us](http://www.auditor.state.mo.us)

# AUDIT REPORT



Office Of The  
State Auditor Of Missouri  
Claire McCaskill

July 2000

[www.auditor.state.mo.us](http://www.auditor.state.mo.us)

**IMPORTANT:** The Missouri State Auditor is required by Missouri law to conduct audits only once every four years in counties, like Monroe, which do not have a county auditor. However, to assist such counties in meeting federal audit requirements, the State Auditor will also perform a financial and compliance audit of various county operating funds every two years. This voluntary service to Missouri counties can only be provided when state auditing resources are available and does not interfere with the State Auditor's constitutional responsibility of auditing state government.

Once every four years, the State Auditor's statutory audit will cover additional areas of county operations, as well as the elected county officials, as required by Missouri's Constitution.

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This audit of Monroe County was a financial and compliance audit of various county operating funds. The following concern was noted as part of the audit:

- As noted in the prior audit report, the county does not have adequate procedures in place to prepare a complete and accurate Schedule of Expenditures of Federal Awards (SEFA). The county's SEFA contained errors and omissions. An accurate SEFA is necessary to ensure federal financial activity is audited and reported in accordance with federal requirements.

The audit also includes some other matters upon which the county should consider and take appropriate corrective action.

**Copies of the audit are available upon request.**

YELLOW SHEET

# MONROE COUNTY, MISSOURI

## TABLE OF CONTENTS

		<u>Page</u>
<hr/> <b>FINANCIAL SECTION</b> <hr/>		
	State Auditor's Reports: .....	2-6
	Financial Statements and Supplementary Schedule of Expenditures of Federal Awards .....	3-4
	Compliance and Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	5-6
	Financial Statements: .....	7-25
<u>Exhibit</u>	<u>Description</u>	
	Statement of Receipts, Disbursements, and Changes in Cash - Various Funds	
A-1	Year Ended December 31, 1999 .....	8
A-2	Year Ended December 31, 1998 .....	9
	<u>General Revenue Fund</u>	
B	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	10
	<u>Special Road and Bridge Fund</u>	
C	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	11
	<u>Assessment Fund</u>	
D	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	12
	<u>Law Enforcement Training Fund</u>	
E	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	13
	<u>Prosecuting Attorney Training Fund</u>	
F	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	14

MONROE COUNTY, MISSOURI

TABLE OF CONTENTS

		<u>Page</u>
<u>FINANCIAL SECTION</u>		
Financial Statements:		
<u>Exhibit</u>	<u>Description</u>	
	<u>Health Center Fund</u>	
G	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	15
	<u>Mark Twain Reservoir Fund</u>	
H	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	16
	<u>Recorder's User Fees Fund</u>	
I	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	17
	<u>Handicapped Board Fund</u>	
J	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	18
	<u>Domestic Violence Fund</u>	
K	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	19
	<u>Prosecuting Attorney Bad Check Fund</u>	
L	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	20
	<u>Circuit Clerk Interest Fund</u>	
M	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....	21
	<u>Associate Circuit Division Interest Fund</u>	
N	Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Year Ended December 31, 1999 .....	22

MONROE COUNTY, MISSOURI

TABLE OF CONTENTS

	<u>Page</u>
<u>FINANCIAL SECTION</u>	
Financial Statements:	
<u>Exhibit</u>	<u>Description</u>
	<u>Election Machine Fund</u>
O	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....23
	<u>Enhanced 911 Fund</u>
P	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....24
	<u>Sheriff's Civil Fees Fund</u>
Q	Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual, Years Ended December 31, 1999 and 1998 .....25
Notes to the Financial Statements ..... 26-30	
Supplementary Schedule:..... 31-33	
Schedule of Expenditures of Federal Awards, Years Ended December 31, 1999 and 1998 ..... 32-33	
Notes to the Supplementary Schedule ..... 34-36	
<u>FEDERAL AWARDS - SINGLE AUDIT SECTION</u>	
State Auditor's Report: ..... 38-40	
Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133..... 39-40	
Schedule: ..... 41-44	
Schedule of Findings and Questioned Costs (Including Management's Plan for Corrective Action), Years Ended December 31, 1999 and 1998..... 42-44	
Section I - Summary of Auditor's Results..... 42-43	

MONROE COUNTY, MISSOURI

TABLE OF CONTENTS

	<u>Page</u>
<u>FEDERAL AWARDS - SINGLE AUDIT SECTION</u>	
Schedule:	
Section II - Financial Statement Findings	43
Section III - Federal Award Findings and Questioned Costs .....	43-44
<u>Number</u>	
99-1. Schedule of Expenditures of Federal Awards .....	43-44
Follow-Up on Prior Audit Findings for an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	45-46
Summary Schedule of Prior Audit Findings in Accordance With OMB Circular A-133 .....	47-49
<u>SECTION ON OTHER MATTERS</u>	
Letter on Other Matters .....	51-52

## FINANCIAL SECTION

## State Auditor's Reports





**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL  
STATEMENTS AND SUPPLEMENTARY SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS**

To the County Commission  
and  
Officeholders of Monroe County, Missouri

We have audited the accompanying special-purpose financial statements of various funds of Monroe County, Missouri, as of and for the years ended December 31, 1999 and 1998, as identified in the table of contents. These special-purpose financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

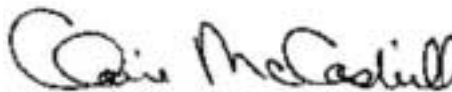
The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of various funds of Monroe County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county and are not intended to be a complete presentation of the financial position and results of operations of those funds or of Monroe County.

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Monroe County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county as of and for the years ended December 31,

1999 and 1998, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we also have issued our report dated February 15, 2000, on our consideration of the county's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the special-purpose financial statements taken as a whole.

A handwritten signature in dark ink, appearing to read "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" written in a larger, more prominent script than the last name "McCaskill".

Claire McCaskill  
State Auditor

February 15, 2000 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Thomas J. Kremer, CPA
Audit Manager:	Jeannette Eaves, CPA
In-Charge Auditor:	Debbie Hill, CPA
Audit Staff:	Todd Stoll
	Michael J. Monia



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commission  
and  
Officeholders of Monroe County, Missouri

We have audited the special-purpose financial statements of various funds of Monroe County, Missouri, as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated February 15, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

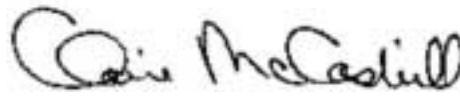
As part of obtaining reasonable assurance about whether the special-purpose financial statements of various funds of Monroe County, Missouri, are free of material misstatement, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance, which we have reported to the management of the county in the accompanying Letter on Other Matters.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of various funds of Monroe County, Missouri, we considered the county's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the

design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to the management of the county in the accompanying Letter on Other Matters.

This report is intended for the information of the management of Monroe County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in dark ink, appearing to read "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" written in a larger, more prominent script than the last name "McCaskill".

Claire McCaskill  
State Auditor

February 15, 2000 (fieldwork completion date)

## Financial Statements

Exhibit A-1

MONROE COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS  
YEAR ENDED DECEMBER 31, 1999

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 76,768	1,189,235	1,207,904	58,099
Special Road and Bridge	43,487	1,211,172	1,074,834	179,825
Assessment	2,329	97,342	98,343	1,328
Law Enforcement Training	1,741	3,370	3,412	1,699
Prosecuting Attorney Training	332	576	772	136
Health Center	246,412	443,251	395,024	294,639
Mark Twain Reservoir	613,983	197,532	197,529	613,986
Recorder's User Fees	499	4,862	5,171	190
Handicapped Board	83,945	81,640	70,278	95,307
Domestic Violence	1,009	336	358	987
Prosecuting Attorney Bad Check	10,760	4,204	4,250	10,714
Circuit Clerk Interest	1,332	1,020	872	1,480
Associate Circuit Division Interest	218	906	0	1,124
Election Machine	3,680	124	338	3,466
Enhanced 911	62,788	103,564	103,564	62,788
Sheriff's Civil Fees	6,942	22,042	8,500	20,484
Prosecuting Attorney Delinquent Tax	5,094	973	498	5,569
DARE Program	1,041	1,195	2,233	3
Local Emergency Planning Grant	2,825	101	0	2,926
Election Services Fund	0	47	0	47
Total	\$ 1,165,185	3,363,492	3,173,880	1,354,797

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit A-2

MONROE COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS  
YEAR ENDED DECEMBER 31, 1998

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 124,005	1,104,390	1,151,627	76,768
Special Road and Bridge	153,084	915,438	1,025,035	43,487
Assessment	12,059	95,787	105,517	2,329
Law Enforcement Training	1,723	3,334	3,316	1,741
Prosecuting Attorney Training	545	567	780	332
Health Center	198,341	480,789	432,718	246,412
Mark Twain Reservoir	702,535	51,658	140,210	613,983
Recorder's User Fees	974	5,938	6,413	499
Handicapped Board	82,152	82,981	81,188	83,945
Domestic Violence	972	423	386	1,009
Prosecuting Attorney Bad Check	8,281	3,338	859	10,760
Circuit Clerk Interest	971	661	300	1,332
Associate Circuit Division Interest	278	280	340	218
Election Machine	2,538	1,142	0	3,680
Enhanced 911	11,878	73,362	22,452	62,788
Sheriff's Civil Fees	0	24,345	17,403	6,942
Prosecuting Attorney Delinquent Tax	5,570	814	1,290	5,094
DARE Program	1,560	1,660	2,179	1,041
Local Emergency Planning Grant	2,718	107	0	2,825
Total	\$ 1,310,184	2,847,014	2,992,013	1,165,185

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit B

MONROE COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 GENERAL REVENUE FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<b>RECEIPTS</b>						
Property taxes	\$ 191,500	196,616	5,116	156,420	163,833	7,413
Sales taxes	550,000	481,620	(68,380)	519,000	456,894	(62,106)
Intergovernmental	194,082	180,483	(13,599)	215,163	193,266	(21,897)
Charges for services	260,723	204,842	(55,881)	208,465	206,613	(1,852)
Interest	8,428	8,447	19	7,800	11,948	4,148
Other	78,247	76,485	(1,762)	26,517	27,656	1,139
Transfers in	40,292	40,742	450	25,926	44,180	18,254
Total Receipts	1,323,272	1,189,235	(134,037)	1,159,291	1,104,390	(54,901)
<b>DISBURSEMENTS</b>						
County Commission	61,421	59,929	1,492	52,760	47,767	4,993
County Clerk	72,242	67,081	5,161	70,241	65,470	4,771
Elections	11,600	12,895	(1,295)	34,675	29,902	4,773
Buildings and grounds	68,550	70,767	(2,217)	79,245	62,829	16,416
Employee fringe benefits	169,000	142,147	26,853	157,100	145,067	12,033
County Treasurer	22,322	21,864	458	20,230	19,268	962
County Collector	60,398	57,494	2,904	59,239	58,048	1,191
Circuit Clerk	39,176	29,907	9,269	35,322	25,239	10,083
Associate Circuit Court	12,095	5,890	6,205	12,620	7,992	4,628
Court administration	6,939	4,619	2,320	5,601	4,855	746
Public Administrator	11,710	19,906	(8,196)	11,890	15,374	(3,484)
Sheriff	322,188	311,423	10,765	281,785	295,744	(13,959)
Jail	60,000	74,967	(14,967)	29,500	84,217	(54,717)
Prosecuting Attorney	67,212	68,136	(924)	66,263	59,783	6,480
Juvenile Officer	63,047	41,519	21,528	61,657	62,117	(460)
County Coroner	8,700	6,904	1,796	7,835	9,037	(1,202)
Other	216,750	212,456	4,294	168,140	158,918	9,222
Transfers out	11,100	0	11,100	0	0	0
Emergency Fund	37,000	0	37,000	33,000	0	33,000
Total Disbursements	1,321,450	1,207,904	113,546	1,187,103	1,151,627	35,476
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,822	(18,669)	(20,491)	(27,812)	(47,237)	(19,425)
CASH, JANUARY 1	76,768	76,768	0	103,991	124,005	20,014
CASH, DECEMBER 31	\$ 78,590	58,099	(20,491)	76,179	76,768	589

The accompanying Notes to the Financial Statements are an integral part of this statement.



## Exhibit C

MONROE COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 SPECIAL ROAD AND BRIDGE FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 221,450	164,241	(57,209)	142,030	160,270	18,240
Sales taxes	79,000	75,080	(3,920)	79,000	70,900	(8,100)
Intergovernmental	1,200,008	884,152	(315,856)	1,163,150	662,529	(500,621)
Interest	3,000	7,814	4,814	14,100	6,097	(8,003)
Other	15,700	79,885	64,185	36,000	15,642	(20,358)
Total Receipts	1,519,158	1,211,172	(307,986)	1,434,280	915,438	(518,842)
DISBURSEMENTS						
Salaries	260,000	242,622	17,378	249,000	238,518	10,482
Employee fringe benefits	98,100	83,159	14,941	93,000	80,524	12,476
Supplies	63,860	51,603	12,257	62,810	53,971	8,839
Insurance	16,000	8,037	7,963	18,000	13,936	4,064
Road and bridge materials	243,600	226,628	16,972	229,000	259,681	(30,681)
Equipment repairs	50,000	50,156	(156)	50,000	53,935	(3,935)
Equipment purchases	190,000	87,101	102,899	200,000	139,334	60,666
Construction, repair, and maintenance	1,000	1,266	(266)	19,000	15,093	3,907
Bridge projects	492,160	241,368	250,792	532,330	67,529	464,801
Other	94,000	51,894	42,106	47,400	76,334	(28,934)
Transfers out	31,000	31,000	0	26,180	26,180	0
Total Disbursements	1,539,720	1,074,834	464,886	1,526,720	1,025,035	501,685
RECEIPTS OVER (UNDER) DISBURSEMENTS	(20,562)	136,338	156,900	(92,440)	(109,597)	(17,157)
CASH, JANUARY 1	43,487	43,487	0	137,525	153,084	15,559
CASH, DECEMBER 31	\$ 22,925	179,825	156,900	45,085	43,487	(1,598)

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit D

MONROE COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
ASSESSMENT FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Intergovernmental	\$ 93,815	96,075	104,256	93,873	(10,383)	
Interest	867	886	1,330	1,308	(22)	
Other	606	381	545	606	61	
Transfers in	11,100	0	0	0	0	
Total Receipts	106,388	97,342	106,131	95,787	(10,344)	
DISBURSEMENTS						
Assessor	104,641	98,343	115,983	105,517	10,466	
Total Disbursements	104,641	98,343	115,983	105,517	10,466	
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,747	(1,001)	(9,852)	(9,730)	122	
CASH, JANUARY 1	2,329	2,329	10,215	12,059	1,844	
CASH, DECEMBER 31	\$ 4,076	1,328	363	2,329	1,966	

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit E

MONROE COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
LAW ENFORCEMENT TRAINING FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Intergovernmental	\$ 0	1,011	0	1,100	1,100	
Charges for services	2,200	2,284	2,500	2,208	(292)	
Interest	25	75	0	26	26	
Total Receipts	2,225	3,370	2,500	3,334	834	
DISBURSEMENTS						
Sheriff	3,250	3,412	3,450	3,316	134	
Total Disbursements	3,250	3,412	3,450	3,316	134	
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,025)	(42)	(950)	18	968	
CASH, JANUARY 1	1,741	1,741	1,723	1,723	0	
CASH, DECEMBER 31	\$ 716	1,699	773	1,741	968	

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit F

MONROE COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
PROSECUTING ATTORNEY TRAINING FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Charges for services	\$ 700	569	1,000	550	(450)	
Interest	18	7	0	17	17	
Total Receipts	718	576	1,000	567	(433)	
DISBURSEMENTS						
Prosecuting Attorney	900	772	650	780	(130)	
Total Disbursements	900	772	650	780	(130)	
RECEIPTS OVER (UNDER) DISBURSEMENTS	(182)	(196)	350	(213)	(563)	
CASH, JANUARY 1	332	332	545	545	0	
CASH, DECEMBER 31	\$ 150	136	895	332	(563)	

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit G

MONROE COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 HEALTH CENTER FUND

		Year Ended December 31,					
		1999			1998		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS							
Property taxes	\$	84,000	87,182	3,182	80,000	85,304	5,304
Intergovernmental		175,100	184,902	9,802	189,700	184,668	(5,032)
Charges for services		177,500	139,329	(38,171)	187,000	180,969	(6,031)
Interest		15,000	16,700	1,700	10,000	15,400	5,400
Other		14,000	15,138	1,138	13,000	14,448	1,448
Total Receipts		465,600	443,251	(22,349)	479,700	480,789	1,089
DISBURSEMENTS							
Salaries		254,000	222,747	31,253	258,000	240,325	17,675
Employee fringe benefits		52,000	45,008	6,992	56,000	46,580	9,420
Office expenditures		14,000	14,703	(703)	14,800	13,086	1,714
Equipment		10,000	10,726	(726)	6,000	17,122	(11,122)
Mileage and training		21,000	15,196	5,804	25,000	18,510	6,490
Other		114,600	86,644	27,956	139,900	97,095	42,805
Total Disbursements		465,600	395,024	70,576	499,700	432,718	66,982
RECEIPTS OVER (UNDER) DISBURSEMENTS		0	48,227	48,227	(20,000)	48,071	68,071
CASH, JANUARY 1		246,412	246,412	0	198,384	198,341	(43)
CASH, DECEMBER 31	\$	246,412	294,639	48,227	178,384	246,412	68,028

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit H

MONROE COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 MARK TWAIN RESERVOIR FUND

Year Ended December 31,						
1999			1998			
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 150,000	159,870	9,870	300,250	1,743	(298,507)
Interest	35,000	33,349	(1,651)	42,000	38,956	(3,044)
Other	1,962	4,313	2,351	272,462	10,959	(261,503)
Total Receipts	186,962	197,532	10,570	614,712	51,658	(563,054)
DISBURSEMENTS						
Office expenditures	600	602	(2)	600	702	(102)
Equipment	5,000	0	5,000	0	23,790	(23,790)
Insurance	2,000	0	2,000	8,000	584	7,416
Gravel	30,000	26,443	3,557	44,000	53,205	(9,205)
Projects	170,500	158,843	11,657	396,750	53,929	342,821
Engineer	1,000	3,641	(2,641)	1,000	0	1,000
Transfers out	8,000	8,000	0	8,000	8,000	0
Total Disbursements	217,100	197,529	19,571	458,350	140,210	318,140
RECEIPTS OVER (UNDER) DISBURSEMENTS	(30,138)	3	30,141	156,362	(88,552)	(244,914)
CASH, JANUARY 1	613,983	613,983	0	702,535	702,535	0
CASH, DECEMBER 31	\$ 583,845	613,986	30,141	858,897	613,983	(244,914)

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit I

MONROE COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 RECORDER'S USER FEES FUND

Year Ended December 31,						
1999			1998			
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 1,200	0	(1,200)	0	0	0
Charges for services	6,000	4,806	(1,194)	5,576	5,856	280
Interest	82	56	(26)	0	82	82
Total Receipts	7,282	4,862	(2,420)	5,576	5,938	362
DISBURSEMENTS						
Recorder of Deeds	7,457	5,171	2,286	6,527	6,413	114
Total Disbursements	7,457	5,171	2,286	6,527	6,413	114
RECEIPTS OVER (UNDER) DISBURSEMENTS	(175)	(309)	(134)	(951)	(475)	476
CASH, JANUARY 1	499	499	0	974	974	0
CASH, DECEMBER 31	\$ 324	190	(134)	23	499	476

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit J

MONROE COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 HANDICAPPED BOARD FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 70,000	77,186	7,186	67,853	76,532	8,679
Interest	5,000	4,454	(546)	4,400	6,449	2,049
Total Receipts	75,000	81,640	6,640	72,253	82,981	10,728
DISBURSEMENTS						
Salaries	8,500	8,065	435	8,500	6,238	2,262
Office expenditures	1,000	1,080	(80)	1,000	936	64
Equipment	500	359	141	500	0	500
Mileage and training	4,000	2,803	1,197	3,500	3,206	294
Payments to workshops	41,000	31,000	10,000	42,700	40,242	2,458
Other	104,223	26,971	77,252	96,595	30,566	66,029
Total Disbursements	159,223	70,278	88,945	152,795	81,188	71,607
RECEIPTS OVER (UNDER) DISBURSEMENTS	(84,223)	11,362	95,585	(80,542)	1,793	82,335
CASH, JANUARY 1	84,223	83,945	(278)	80,542	82,152	1,610
CASH, DECEMBER 31	\$ 0	95,307	95,307	0	83,945	83,945

The accompanying Notes to the Financial Statements are an integral part of this statement.



Exhibit K

MONROE COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
DOMESTIC VIOLENCE FUND

		Year Ended December 31,					
		1999			1998		
				Variance			Variance
		Budget	Actual	Favorable (Unfavorable)	Budget	Actual	Favorable (Unfavorable)
RECEIPTS							
Charges for services	\$	420	295	(125)	240	379	139
Interest		44	41	(3)	0	44	44
Total Receipts		464	336	(128)	240	423	183
DISBURSEMENTS							
Other		420	358	62	278	386	(108)
Total Disbursements		420	358	62	278	386	(108)
RECEIPTS OVER (UNDER) DISBURSEMENTS		44	(22)	(66)	(38)	37	75
CASH, JANUARY 1		1,009	1,009	0	972	972	0
CASH, DECEMBER 31	\$	1,053	987	(66)	934	1,009	75

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit L

MONROE COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 PROSECUTING ATTORNEY BAD CHECK FUND

		Year Ended December 31,					
		1999			1998		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS							
Charges for services	\$	2,500	3,691	1,191	2,363	2,600	237
Interest		700	513	(187)	0	738	738
Total Receipts		3,200	4,204	1,004	2,363	3,338	975
DISBURSEMENTS							
Office expenditures		0	134	(134)	0	132	(132)
Equipment		5,500	2,824	2,676	750	0	750
Mileage and training		0	0	0	500	0	500
Transfers out		1,292	1,292	0	500	727	(227)
Total Disbursements		6,792	4,250	2,542	1,750	859	891
RECEIPTS OVER (UNDER) DISBURSEMENTS		(3,592)	(46)	3,546	613	2,479	1,866
CASH, JANUARY 1		10,760	10,760	0	8,281	8,281	0
CASH, DECEMBER 31	\$	7,168	10,714	3,546	8,894	10,760	1,866

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit M

MONROE COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
CIRCUIT CLERK INTEREST FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest	750	1,020	270	720	661	(59)
Total Receipts	750	1,020	270	720	661	(59)
DISBURSEMENTS						
Office expenditures	0	60	(60)	730	300	430
Equipment	300	362	(62)	0	0	0
Transfers out	0	450	(450)	0	0	0
Total Disbursements	300	872	(572)	730	300	430
RECEIPTS OVER (UNDER) DISBURSEMENTS	450	148	(302)	(10)	361	371
CASH, JANUARY 1	1,332	1,332	0	971	971	0
CASH, DECEMBER 31	\$ 1,782	1,480	(302)	961	1,332	371

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit N

MONROE COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
ASSOCIATE CIRCUIT DIVISION INTEREST FUND

Year Ended December 31,			
1999			
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Interest	\$ 200	906	706
Total Receipts	200	906	706
DISBURSEMENTS			
Equipment	250	0	250
Total Disbursements	250	0	250
RECEIPTS OVER (UNDER) DISBURSEMENTS	(50)	906	956
CASH, JANUARY 1	190	218	28
CASH, DECEMBER 31	\$ 140	1,124	984

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit O

MONROE COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
ELECTION MACHINE FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Charges for services	\$ 0	0	4,000	1,000	(3,000)	
Interest	75	124	0	142	142	
Rent	1,350	0	0	0	0	
Total Receipts	1,425	124	4,000	1,142	(2,858)	
DISBURSEMENTS						
Equipment	1,000	338	0	0	0	
Total Disbursements	1,000	338	0	0	0	
RECEIPTS OVER (UNDER) DISBURSEMENTS	425	(214)	4,000	1,142	(2,858)	
CASH, JANUARY 1	3,680	3,680	2,538	2,538	0	
CASH, DECEMBER 31	\$ 4,105	3,466	6,538	3,680	(2,858)	

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit P

## MONROE COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
ENHANCED 911 FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Interest	\$ 1,333	3,136	1,803	0	1,667	1,667
Phone tax	71,532	75,428	3,896	79,357	71,695	(7,662)
Other	240,820	25,000	(215,820)	0	0	0
Total Receipts	313,685	103,564	(210,121)	79,357	73,362	(5,995)
DISBURSEMENTS						
Salaries	0	10,983	(10,983)	0	0	0
Employee fringe benefits	0	3,486	(3,486)	0	0	0
Contracted services	0	10,084	(10,084)	21,671	22,452	(781)
Office expenses	0	5,620	(5,620)	0	0	0
Equipment	0	70,547	(70,547)	0	0	0
Mileage and training	0	2,326	(2,326)	0	0	0
Fuel & vehicle repairs	0	518	(518)	0	0	0
Installation costs	184,504	0	184,504	0	0	0
Recurring costs	140,622	0	140,622	0	0	0
Other	0	0	0	46,410	0	46,410
Total Disbursements	325,126	103,564	221,562	68,081	22,452	45,629
RECEIPTS OVER (UNDER) DISBURSEMENTS	(11,441)	0	11,441	11,276	50,910	39,634
CASH, JANUARY 1	62,788	62,788	0	11,878	11,878	0
CASH, DECEMBER 31	\$ 51,347	62,788	11,441	23,154	62,788	39,634

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit Q

MONROE COUNTY, MISSOURI  
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
 SHERIFF'S CIVIL FEES FUND

		Year Ended December 31,					
		1999			1998		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS							
Charges for services	\$	24,000	21,779	(2,221)	17,500	24,040	6,540
Interest		304	263	(41)	0	305	305
Total Receipts		24,304	22,042	(2,262)	17,500	24,345	6,845
DISBURSEMENTS							
Office expenditures		0	0	0	0	600	(600)
Equipment		7,000	8,464	(1,464)	17,500	6,300	11,200
Vehicle repairs		0		0	0	478	(478)
Subpoenas		1,000	36	964	0	25	(25)
Transfers out		0	0	0	0	10,000	(10,000)
Total Disbursements		8,000	8,500	(500)	17,500	17,403	97
RECEIPTS OVER (UNDER) DISBURSEMENTS		16,304	13,542	(2,762)	0	6,942	6,942
CASH, JANUARY 1		6,942	6,942	0	0	0	0
CASH, DECEMBER 31	\$	23,246	20,484	(2,762)	0	6,942	6,942

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Notes to the Financial Statements



MONROE COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying special-purpose financial statements present the receipts, disbursements, and changes in cash of various funds of Monroe County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission, an elected county official, the Health Center Board or the Handicapped Board. The General Revenue Fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from generally accepted accounting principles, which require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various county funds in accordance with Sections 50.525 through 50.745, RSMo 1994 and RSMo Cumulative Supp. 1999, the county budget law. These budgets are adopted on the cash basis of accounting.

Although adoption of a formal budget is required by law, the county did not adopt formal budgets for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
DARE Program Fund	1999 and 1998
Associate Circuit Division Interest Fund	1998
Local Emergency Planning Grant Fund	1999 and 1998
Election Services Fund	1999

Warrants issued were in excess of budgeted amounts for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Law Enforcement Training Fund	1999
Prosecuting Attorney Training Fund	1998
Domestic Violence Fund	1998
Circuit Clerk Interest Fund	1999
Sheriff's Civil Fees Fund	1999

Section 50.740, RSMo 1994, prohibits expenditures in excess of the approved budgets.

D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo 1994, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

However, the county's published financial statements did not include the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Handicapped Board Fund	1999 and 1998
DARE Program Fund	1999 and 1998
Local Emergency Planning Grant Fund	1999 and 1998
Health Center Fund	1999 and 1998

2. Cash

Section 110.270, RSMo 1994, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo Cumulative Supp. 1999, requires political subdivisions with authority to invest in instruments other than depository accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has not adopted such a policy.

Cash includes both deposits and investments. In accordance with Statement No. 3 of the Governmental Accounting Standards Board, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, disclosures are provided below regarding the risk of potential loss of deposits and investments. For the purposes of these disclosures, deposits with financial institutions are demand, time, and savings accounts, including certificates of deposit and negotiable order of withdrawal accounts, in banks, savings institutions, and credit unions. Investments are securities and other assets acquired primarily for the purpose of obtaining income or profit.

### Deposits

The financial statements do not include the cash balances of the County Collector, who collects and distributes property taxes as an agent for various local governments. However, for the purpose of these risk disclosures, the County Collector's cash balances are included since collateral securities to cover amounts not covered by federal depositary insurance are pledged to the county rather than to specific county officials.

At December 31, 1999, the reported amount of the county's deposits was \$3,663,508 and the bank balance was \$3,748,229. Of the bank balance, \$1,564,961 was covered by federal depositary insurance or by collateral securities held by the county's custodial bank in the county's name, and \$2,183,268 was covered by collateral pledged by one bank and held in the county's name by the trust department of an affiliate of the same bank holding company.

At December 31, 1998, the reported amount of the county's deposits was \$3,705,231 and the bank balance was \$3,786,509. Of the bank balance, \$1,539,213 was covered by federal depositary insurance or by collateral securities held by the county's custodial bank in the county's name, and \$2,247,296 was covered by collateral pledged by one bank and held in the county's name by the trust department of an affiliate of the same bank holding company.

Of the health center's bank balance at December 31, 1999, \$302,341 was covered by federal depositary insurance or by collateral securities held by the health center's custodial bank in the health center's name and \$20,696 was covered by collateral pledged by one bank and held in the health center's name by the trust department of an affiliate of the same bank holding company.

Of the health center's bank balance at December 31, 1998, \$258,634 was covered by federal depositary insurance or by collateral securities held by the health center's custodial bank in the health center's name and \$18,326 was covered by collateral pledged by one bank and held in the health center's name by the trust department of an affiliate of the same bank holding company.

The Handicapped Board's deposits at December 31, 1999 and 1998, were entirely covered by federal depositary insurance.

### Investments

The only investment of the various funds at December 31, 1999 and 1998, was a repurchase agreement with reported amounts of \$2,841,000 and \$2,881,000 which approximated fair value.

This investment represents uninsured and unregistered investments for which the securities were held by the dealer bank's trust department or agent in the county's name.

## Supplementary Schedule

## Schedule

MONROE COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			1999	1998
U. S. DEPARTMENT OF AGRICULTURE				
Passed through state:				
Department of Health -				
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	ERO045-8169 \$	0	15,186
		ERO045-9169	16,295	4,848
		ERO045-0169	6,812	0
	Program Total		23,107	20,034
U.S. DEPARTMENT OF DEFENSE				
Passed through state:				
Office of Administration -				
12.112	Payments to States in Lieu of Real Estate Taxes	N/A	17,741	10,002
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed through state:				
Department of Economic Development -				
14.228	Community Development Block Grants/State's Program	91-PF-656	5,000	11,162
U.S. DEPARTMENT OF JUSTICE				
Passed through:				
State Department of Public Safety -				
16.554	National Criminal History Improvement Program	N/A	0	4,137
Missouri Sheriffs' Association -				
16.unknown	Domestic Cannabis Eradication/Suppression Program	N/A	1,247	1,210
U. S. DEPARTMENT OF TRANSPORTATION				
Passed through state Highway and Transportation Commission:				
20.205	Highway Planning and Construction	BRO 069(12)	0	3,495
		BRO 069(15)	182,555	22,978
		BRO 069(16)	159,870	1,743
		BRO 069(17)	46,068	1,895
		BRO 069(18)	12,558	0
		BRO 069(19)	7,458	0
	Program Total		408,509	30,111

## Schedule

MONROE COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			1999	1998
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through state:				
Department of Health -				
93.197	Childhood Lead Poisoning Prevention Projects - State and Community-Based Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	ERO146-0169CLPP	940	90
93.268	Immunization Grants	PG0064-9169IAP	20,828	11,972
Department of Social Services -				
93.563	Child Support Enforcement	N/A	6,033	9,475
Department of Health -				
93.575	Child Care and Development Block Grant	ERO146-8169	0	1,658
		ERO146-9169	625	375
		PGO067-8169	0	1,510
		PGO067-9169	2,080	220
		PGO067-0169	140	0
	Program Total		<u>2,845</u>	<u>3,763</u>
Department of Health -				
93.919	Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	N/A	564	1,132
93.945	Assistance Program for Chronic Disease Prevention and Control	C906266001	974	0
93.991	Preventive Health and Health Services Block Grant	N/A	235	256
93.994	Maternal and Child Health Services Block Grant to the States	ERO146-8169M	0	12,856
		ERO146-9169M	11,740	4,335
		ERO146-0169M	609	0
		ERO175-8169FP	0	1,742
		ERO175-9169FP	1,932	794
		ERO175-0169FP	723	0
		309893	2,348	0
	Program Total		<u>17,352</u>	<u>19,727</u>
	Total Expenditures of Federal Awards		<u>\$ 505,375</u>	<u>123,071</u>

N/A - Not applicable

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

## Notes to the Supplementary Schedule



MONROE COUNTY, MISSOURI  
NOTES TO THE SUPPLEMENTARY SCHEDULE

1. Summary of Significant Accounting Policies

A. Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of OMB Circular A-133. This circular requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by Monroe County, Missouri.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

*Federal financial assistance* means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals . . . .

*Federal award* means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Accordingly, the schedule includes expenditures of both cash and noncash awards.

C. Basis of Accounting

Except as noted below, the schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

Amounts for the National Criminal History Improvement Program (CFDA number 16.554) represent the original acquisition cost of equipment received.

Of the pass-through amounts for Immunization Grants (CFDA number 93.268), \$19,708 and \$9,856 represent the original acquisition cost of vaccines purchased by

the Centers for Disease Control of the U.S. Department of Health and Human Services, but distributed to the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. The amounts for the Preventive Health and Health Services Block Grant (CFDA number 93.991) represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. Of the amounts for the Maternal and Child Health Services Block Grant to the States (CFDA number 93.994), \$1,173 and \$896 also represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. The remaining pass-through amounts for Immunization Grants and the Maternal and Child Health Services Block Grant to the States represent cash disbursements.

2. Subrecipients

The county provided no federal awards to subrecipients during the years ended December 31, 1999 and 1998.

FEDERAL AWARDS -  
SINGLE AUDIT SECTION

## State Auditor's Report



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the County Commission  
and  
Officeholders of Monroe County, Missouri

Compliance

We have audited the compliance of Monroe County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the years ended December 31, 1999 and 1998. The county's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the county's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the county's compliance with those requirements.

In our opinion, Monroe County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the years ended December 31, 1999 and 1998. However, the results of our auditing procedures disclosed an instance

of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying Schedule of Findings and Questioned Costs as finding number 99-1.

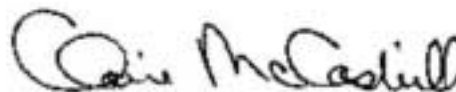
#### Internal Control Over Compliance

The management of Monroe County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the county's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

We noted a certain matter involving the internal control over compliance and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the county's ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts, and grants. The reportable condition is described in the accompanying Schedule of Findings and Questioned Costs as finding number 99-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we do not believe that the reportable condition described above is a material weakness.

This report is intended for the information of the management of Monroe County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.



Claire McCaskill  
State Auditor

February 15, 2000 (fieldwork completion date)

Schedule

MONROE COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)  
YEARS ENDED DECEMBER 31, 1999 and 1998

**Section I - Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified?        yes   x   no

Reportable conditions identified that are  
not considered to be material weaknesses?        yes   x   none reported

Noncompliance material to the financial statements  
noted?        yes   x   no

Federal Awards

Internal control over major program:

Material weaknesses identified?        yes   x   no

Reportable condition identified that is  
not considered to be a material weakness?   x   yes        none reported

Type of auditor's report issued on compliance for  
major program: Unqualified

Any audit findings disclosed that are required to be  
reported in accordance with Section .510(a) of OMB  
Circular A-133?   x   yes        no

Identification of major program:

CFDA or Other Identifying Number	<u>Program Title</u>
20.205	Highway Planning and Construction



Dollar threshold used to distinguish between Type A  
and Type B programs: \$300,000

Auditee qualified as a low-risk auditee? \_\_\_\_\_ yes      x   no

## Section II - Financial Statement Findings

This section includes no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

## Section III - Federal Award Findings and Questioned Costs

This section includes the audit finding that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

<b>99-1.                                      Schedule of Expenditures of Federal Awards</b>
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Federal Grantor:	U.S. Department of Transportation
Pass-Through Grantor:	Department of Highway and Transportation
Federal CFDA Number:	20.205
Program Title:	Highway Planning and Construction
Pass-Through Entity	
Identifying Numbers:	BRO-069
Award Years:	1999 and 1998
Questioned Costs:	Not applicable

Section .310(b) of Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, requires the auditee to prepare a schedule of expenditures of federal awards (SEFA) for the period covered by the auditee's financial statements. The county is required to submit the SEFA to the State Auditor's Office as a part of the annual budget. For the SEFA to adequately reflect the county's federal expenditures, it is necessary that all federal expenditures be properly reported.

The county does not have adequate procedures in place to track federal awards for the preparation of the SEFA. For the years ended December 31, 1999 and 1998, the county's SEFA contained numerous errors and omissions. For example, expenditures relating to several federal grants were not included on the schedules. Other programs reported did not include the required CFDA number or pass-through grantor's number. In addition, some non-federal programs were included and other programs were reported incorrectly. In total, expenditures were understated by approximately \$175,000 for 1999 and expenditures were overstated by approximately \$8,000 for 1998.

Without an accurate SEFA, federal financial activity may not be audited and reported in accordance with federal audit requirements which could result in future reductions of federal funds.

**WE RECOMMEND** the County Clerk prepare a complete and accurate schedule of expenditures of federal awards.

**AUDITEE'S RESPONSE AND PLAN FOR CORRECTIVE ACTION**

*The County Clerk provided the following response:*

*We will try to prepare a complete and accurate SEFA beginning with the budget filed in January 2001.*

Follow-Up on Prior Audit Findings for an  
Audit of Financial Statements Performed in Accordance  
With *Government Auditing Standards*

MONROE COUNTY, MISSOURI  
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS*

Our prior audit report issued for the two years ended December 31, 1997, included no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Summary Schedule of Prior Audit Findings  
in Accordance With OMB Circular A-133

MONROE COUNTY, MISSOURI  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
IN ACCORDANCE WITH OMB CIRCULAR A-133

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary Schedule of Prior Audit Findings to report the status of all findings that are relative to federal awards and included in the prior audit report's Schedule of Findings and Questioned Costs. The summary schedule also must include findings reported in the prior audit's Summary Schedule of Prior Audit Findings, except those listed as corrected, no longer valid, or not warranting further action.

Section .500(e) of OMB Circular A-133 requires the auditor to follow up on these prior audit findings; to perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings; and to report, as a current year finding, when the auditor concludes that the schedule materially misrepresents the status of any prior findings.

This section represents the Summary Schedule of Prior Audit Findings, which was prepared by the county's management.

4.D. Schedule of Federal Financial Assistance

Federal Grantor:	U.S. Department of Transportation
Pass-Through Grantor:	Department of Highway and Transportation
Federal CFDA Number:	20.205
Program Title:	Highway Planning and Construction
Pass-Through Entity	
Identifying Numbers:	BRO-069
Award Years:	1996
Questioned Costs:	Not applicable

Federal Grantor:	Federal Emergency Management Agency
Pass-Through Grantor:	Department of Public Safety
Federal CFDA Number:	83.516
Program Title:	Disaster Assistance
Pass-Through Entity	
Identifying Numbers:	FEMA-995-DR-MO
Award Years:	1996
Questioned Costs:	Not applicable

The county's Schedule of Federal Financial Assistance contained errors and omissions. Expenditures from the Highway Planning and Construction Program were overstated by \$218,102 for 1996 and the Federal Emergency Management Assistance program was understated by \$10,300 for 1996.

Recommendation:

The County Commission and the County Clerk ensure all federal financial expenditure amounts are properly recorded on the schedule of federal financial assistance.

Status:

Not implemented. See finding number 99-1.

## SECTION ON OTHER MATTERS



## MONROE COUNTY, MISSOURI LETTER ON OTHER MATTERS

We have audited the special-purpose financial statements of various funds of Monroe County, Missouri, as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated February 15, 2000. We also have audited the compliance of Monroe County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the years ended December 31, 1999 and 1998, and have issued our report thereon dated February 15, 2000.

We did not review the operations of elected officials with funds other than those presented in the special-purpose financial statements. The operations of such officials will be reviewed and reported on during the state auditor's next scheduled audit of the county.

This Letter on Other Matters presents matters other than the findings, if any, reported in the accompanying Schedule of Findings and Questioned Costs. These matters resulted from our audit of the special-purpose financial statements of Monroe County but do not meet the criteria for inclusion in the written report on compliance and on internal control over financial reporting that is required for an audit performed in accordance with *Government Auditing Standards*. Nevertheless, the county should consider these matters and take appropriate corrective action.

### 1. Personnel Policies and Procedures

Employees do not always record actual hours worked or leave or compensatory time taken on their time sheets. Officials or supervisors do not always sign time sheets to document approval of payroll expenditures. The Sheriff and the salaried deputies do not prepare time sheets and do not submit leave records to the County Clerk.

### 2. Sheriff Expenditures

The County Sheriff uses a county MasterCard for expenditures incurred to transport prisoners, attend seminars and conferences, and purchase supplies and equipment. The Mastercard bills are not always submitted to the County Clerk in a timely manner and the county has incurred late fees and finance charges on these expenditures.

### 3. County Treasurer's Banking Procedures

As of December 31, 1999, the County Treasurer maintained six checking accounts, eight money market accounts, and three certificates of deposit. A large number of accounts creates additional record keeping and increases the likelihood that errors will occur in recording transactions.

4. Health Center

The postage petty cash fund is not maintained on an imprest basis or at a constant amount. Some donations received by the Health Center are not receipted and are placed directly in the postage petty cash fund.

Receipt slips are not appropriately controlled. A voided receipt slip was not retained and three receipt slips were unaccounted for.

The Health Center's financial statements were not published as required by Sections 50.800 and 50.810.

5. Handicapped Board

Expenses of the Handicapped Board were sometimes charged on the Administrator's personal credit card. As a result, personal and business expenses were not always distinguishable and errors were sometimes made. We noted finance charges were sometimes paid by the board and in one instance, a personal expenditure was paid by the board and was not reimbursed for several months.

The Handicapped Board's financial statements were not published as required by Sections 50.800 and 50.810. Budget estimates prepared by the Handicapped Board did not appear reasonable as disbursements were overestimated resulting in a zero projected ending balance.

This Letter on Other Matters is intended for the information of the management of Monroe County, Missouri, and other applicable government officials. However, this letter is a matter of public record and its distribution is not limited.